

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE ADMINISTRATION
Olympia, Washington**

To: Indian Health Service Providers
Tribal Health Clinic Providers
Managed Care Plans

Memorandum No.: 03-88 MAA
Issued: October 24, 2003

From: Douglas Porter, Assistant Secretary
Medical Assistance Administration

For More Information, call:
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Subject: Indian Health Service Encounter Rate Increase and
Definitions for Place of Service Codes

The purpose of this memorandum is to inform Indian Health Service (IHS) and Tribal Health Clinic providers of an increase in the IHS encounter **rate retroactive for claims with dates of service on and after January 1, 2003** and provide definitions for place of service codes.

Rate Increase

Effective for claims with dates of service on and after January 1, 2003, the IHS encounter rate was increased from \$197.00 per encounter to \$206.00 per encounter. (A copy of the Federal Register is attached.)

Please use the new IHS encounter rate of \$206.00 when billing for Medicaid-covered services.

Rebilling?

Do not rebill claims that have already been paid. MAA will automatically adjust all claims that have been paid at the \$197.00 encounter rate and return the difference to providers by mid-December 2003.

Place of Service Codes

Replacement page D.3/D.4 is attached for MAA's Indian Health Services Billing Instructions, dated October 2003 listing the definitions for each place of service code allowed for field 24B on the HCFA-1500 claim form.

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and
Billing Instruction Replacement Pages**

[Federal Register: September 17, 2003 (Volume 68, Number 180)]

[Notices]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Indian Health Service

Reimbursement Rates for Calendar Year 2003

AGENCY: Indian Health Service, HHS.

ACTION: Notice.

SUMMARY: Notice is given that the Director of Indian Health Service (IHS), under the authority of sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. 248(a) and 249(b)) and section 601 of the Indian Health Care Improvement Act (25 U.S.C. 1601), has approved the following rates for [[Page 54465]] inpatient and outpatient medical care provided by IHS facilities for Calendar Year 2003 for Medicare and Medicaid Beneficiaries and Beneficiaries of other Federal Agencies. The Medicare Part A inpatient rates are excluded from the table below as they are paid based on the prospective payment system. Since the inpatient rates set forth below do not include all physician services and practitioner services, additional payment may be available to the extent that those services meet applicable requirements. Physician services being paid by Medicare was generated through legislation, effective July 1, 2001, that allows IHS facilities to file claims with the carrier for physician payment.

Calendar Year 2003

Inpatient Hospital Per Diem Rate (Excludes Physician Services)

Lower 48 States.....	\$1,526
Alaska.....	2,049

Outpatient Per Visit Rate (Excluding Medicare)

Lower 48 States.....	206
Alaska.....	360

Outpatient Per Visit Rate (Medicare)

Lower 48 States.....	175
Alaska.....	332

Medicare Part B Inpatient Ancillary Per Diem Rate

Lower 48 States.....	298
Alaska.....	589

Outpatient Surgery Rate (Medicare)

Established Medicare rates for freestanding Ambulatory Surgery Centers.

Effective Date for Calendar Year 2003 Rates

Consistent with previous annual rate revisions, the Calendar Year 2003 rates will be effective for services provided on/or after January 1, 2003, to the extent consistent with payment authorities including the applicable Medicaid State plan.

Regulatory Impact

We have examined the impacts of this rule as required by Executive Order 12866 and the Regulatory Flexibility Act (RFA) (Pub. L. 96-354). Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A Regulatory Impact Analysis (RIA) must be prepared for major rules with economically significant effects (\$110 million or more annually). This notice is not a major rule because we have determined that the economic impact will be negligible.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in an expenditure in any one year by State, local, or tribal governments, in the aggregate, or by the private sector, of \$110 million. This rule will not have a significant economic effect on these governments or the private sector.

The Department has determined that this notice does not have a substantial effect on States or local governments under Executive Order 13132 and will not interfere with the roles, rights and responsibilities of States or local governments.

We are not preparing an analysis for the RFA because we have determined, and we certify, that this rule will not have a significant economic impact on a substantial number of small entities.

In accordance with the provisions of Executive Order 12866, this notice was reviewed by the Office of Management and Budget.

Dated: September 10, 2003.
Michel E. Lincoln,
Deputy Director.
[FR Doc. 03-23731 Filed 9-16-03; 8:45 am]
BILLING CODE 4160-16-P

Indian Health & Tribal Mental Health Services

21. **Diagnosis or Nature of Illness or Injury:** When applicable, enter the appropriate diagnosis code(s) in areas 1, 2, 3, and 4.
22. **Medicaid Resubmission:** When applicable. If this billing is being submitted beyond the 365-day billing time limit, enter the ICN that verifies that your claim was originally submitted within the time limit. (The ICN number is the claim number listed on the Remittance and Status Report.)
24. **Enter only one (1) procedure code per detail line (fields 24A - 24K).**
- 24A. **Date(s) of Service:** Required. Enter the "from" and "to" dates using all six digits for each date. Enter the month, day, and year of service numerically (e.g., October 04, 2003 = 100403).
- 24B. **Place of Service:** Required. Use the following code for Washington State Medicaid:

<u>Code Number</u>	<u>To Be Used For</u>
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05 IHS Free-Standing Facility

A facility or location, owned and operated by the Indian Health Service, which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services to American Indians or Alaska Natives who do not require hospitalization.

**06 IHS Provider-Based
Facility**

A facility or location, owned and operated by the Indian Health Services, which provide diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services rendered by, or under the supervision of, physicians to American Indians and Alaska Natives admitted as inpatients or outpatients.

**07 Tribal 638 Free-Standing
Facility**

A facility or location owned and operated by a federally recognized American Indian or Alaska Native tribe or tribal organization under a 638 agreement, which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services to tribal members who do not require hospitalization.

**08 Tribal 638 Provider Based
Facility**

A facility or location owned and operated by a federally recognized American Indian or Alaska Native tribe or tribal organization under a 638 agreement, which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services to tribal members admitted as inpatients or outpatients.

**Indian Health &
Tribal Mental Health Services**

24D. Procedures, Services or Supplies CPT/HCPCS: Required. Enter the appropriate procedure code as follows:

T1015	Indian Health Svcs
T1015 HE	Tribal Mental Health Services

24E. Diagnosis Code: Required. Enter the ICD-9-CM diagnosis code related to the procedure or service being billed (for each item listed in 24D). A diagnosis code is required for each service or line billed. Enter the code exactly as shown in ICD-9-CM.

24F. \$ Charges: Required. Enter your usual and customary charge for the service performed. If more than one unit is being billed, the charge shown must be for the total of the units billed. Do not include dollar signs or decimals in this field.

24G. Days or Units: Required. Enter the total number of days or units (up to 999) for each line. These figures must be whole units.

25. Federal Tax I.D. Number: Leave this field blank.

26. Your Patient's Account No.: Not required. Enter an alphanumeric ID number, i.e., a medical record number or patient account number. This number will be printed on your Remittance and Status Report under the heading *Patient Account Number*.

28. Total Charge: Required. Enter the sum of your charges. Do not use dollar signs or decimals in this field.

29. Amount Paid: If you receive an insurance payment or client-paid amount, show the amount here, and attach a copy of the insurance Explanation of Benefits (EOB). If payment is received from source(s) other than insurance, specify the source in *field 10d*. Do not use dollar signs or decimals in this field or put Medicare payment here.

30. Balance Due: Required. Enter balance due. Enter total charges minus any amount(s) in *field 29*. Do not use dollar signs or decimals in this field.

33. Physician's, Supplier's Billing Name, Address, Zip Code and Phone #: Required. Put the Name, Address, and Phone # on all claim forms.

PIN#: Please enter your seven-digit provider number assigned to you by MAA.